

*Prepared, Not Delivered*  
**Opening Statement**  
**Chairman Michael G. Oxley**  
**Committee on Financial Services**

**Subcommittee on Financial Institutions and Consumer Credit**  
**H.R. 3951, Financial Services Regulatory Relief Act**  
**May 8, 2002**

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This Subcommittee meets today to make a giant step towards passing a balanced and long overdue piece of legislation – H.R. 3951 the Financial Services Regulatory Relief Act of 2002.

This piece of legislation is a testament to the lead co-sponsors, Mrs. Capito and Mr. Sandlin – who have worked very hard to make this bill bipartisan and a useful tool for state and federal regulators and all aspects of the industry.

This legislation is the result of a tremendous amount of input from both sides of the aisle, the Federal and State financial regulators as well as the financial services industry. The purpose of the legislation is to alter or eliminate statutory provisions to lessen the regulatory burden and improve productivity, as well as make needed technical corrections to current statutes.

After holding two hearings on this bill – one with the financial regulators and the second with representatives from the industry – Mr. Bachus, together with Mrs. Capito and Mr. Sandlin, have steered the process to today's mark-up – I commend them on their leadership.

This bill provides regulatory relief to EVERY segment of the financial services industry – banks, savings associations, credit unions and regulatory agencies. It is my hope that each group focus on the provisions in the bill that affects them and their particular niche and not focus on what it provides to others.

It is the intention of this committee that this be the first of many efforts to remove needless and outdated laws and regulations from the books.

Of particular importance to me is the credit union provision in Section 301 – which will help a small number of privately-insured credit unions by allowing them to apply to become members of the Federal Home Loan Bank system. As the state credit union supervisors testified at our last hearing, this provision would present no safety and soundness risk and would give these institutions access to a stable and cost efficient source of liquidity; thereby, helping these institutions to better serve their members. It is fully consistent with current federal law, for example, most credit unions and even insurance companies can already become Home Loan Bank members. It is a common sense provision and I am pleased it is a part of this important legislation.

This is an excellent piece of legislation that I am proud to be a co-sponsor. I look forward to a productive and efficient mark-up today. Thank you.